

SENATE BILL REPORT

SB 6482

As Reported By Senate Committee On:
Agriculture & Rural Economic Development, January 28, 2008

Title: An act relating to providing a state public utility tax exemption for the transportation of grain by motor vehicle.

Brief Description: Providing a state public utility tax exemption for the transportation of grain by motor vehicle.

Sponsors: Senators Prentice, Schoesler, Rasmussen and Holmquist.

Brief History:

Committee Activity: Agriculture & Rural Economic Development: 1/28/08 [DP-WM].
Ways & Means: 2/12/08.

SENATE COMMITTEE ON AGRICULTURE & RURAL ECONOMIC DEVELOPMENT

Majority Report: Do pass and be referred to Committee on Ways & Means.

Signed by Senators Rasmussen, Chair; Hatfield, Vice Chair; Schoesler, Ranking Minority Member; Morton and Shin.

Staff: Sam Thompson (786-7413)

SENATE COMMITTEE ON WAYS & MEANS

Staff: Dianne Criswell (786-7433)

Background: Utilities are subject to the state public utility tax (PUT), which is applied to gross receipts. The PUT rate depends on the utility classification. One such classification is motor transportation businesses, which include trucking and busing companies that haul persons or property for hire. Motor transportation businesses are taxed at 1.926 percent. Revenues are deposited to the state General Fund.

A deduction from income taxable under the PUT is allowed under certain conditions for amounts derived from transporting agricultural commodities from points of origin to interim storage facilities, if the commodities are ultimately bound for interstate or foreign destinations.

Summary of Bill: Amounts received from transporting grain (defined as all cereal crops except corn) by a motor-propelled vehicle are exempted from the PUT.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Appropriation: None.

Fiscal Note: Requested on January 24, 2008.

Committee/Commission/Task Force Created: No.

Effective Date: The act takes effect July 1, 2008.

Staff Summary of Public Testimony: None.

Persons Testifying: No one.